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312 Rosa L. Parks Avenue, 8th Floor Tennessee Tower  
Nashville, TN 37243  
Phone: 615-741-2650  
Fax: 615-741-5133  
Email: [sos.information@state.tn.us](mailto:sos.information@state.tn.us)

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Sequence Number: 07-06-09  
Rule ID(s): 4249  
File Date: 07/07/2009  
Effective Date: 10/05/2009

# Rulemaking Hearing Rule(s) Filing Form

*Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing. TCA Section 4-5-205*

<b>Agency/Board/Commission:</b>	Tennessee Department of Human Services
<b>Division:</b>	Family Assistance
<b>Contact Person:</b>	Phyllis Simpson
<b>Address:</b>	Office of General Counsel Citizens Plaza Building, 10 <sup>th</sup> Floor 400 Deaderick Street Nashville, Tennessee 37243-1403
<b>Zip:</b>	37243-1403
<b>Phone:</b>	615-313-4731
<b>Email:</b>	<a href="mailto:phyllis.simpson@tn.gov">phyllis.simpson@tn.gov</a>

**Revision Type (check all that apply):**

- Amendment  
 New  
 Repeal

**Rule(s) Revised (ALL chapters and rules contained in filing must be listed here. If needed, copy and paste additional tables. Please enter only ONE Rule Number/Rule Title per row)**

Chapter Number	Chapter Title
1240-01-04	Financial Eligibility Requirements
Rule Number	Rule Title
1240-01-04-.27	Standards of Need/Income

Chapter Number	Chapter Title
Rule Number	Rule Title

Chapter Number	Chapter Title
Rule Number	Rule Title

Chapter 1240-01-04  
Financial Eligibility Requirements

Amendments

Rule 1240-01-04-.27 Standards of Need/Income, is amended by deleting Subparagraph (c), Parts 1 through 3 and Table III under Paragraph (1) in their entirety, and by inserting the following, so that, as amended, Subparagraph (c), Parts 1 through 3 and Table III under Paragraph (1) shall read as follows:

- (c) Basis of Coupon Issuance - Value of the Thrifty Food Plan. The Thrifty Food plan shows the maximum coupon allotment that can be authorized for a household of any given size, and is used to determine the actual amount of the coupons for which the household qualifies.
1. Calculate 30% of a household's available income (after exclusions and deductions).
  2. Subtract that amount from the maximum coupon allotment for the appropriate household size to determine the value of the coupon allotment. The minimum allotment for one and two person households is \$16.00 even if thirty percent of those household's net income subtracted from the Thrifty Food Plan is less than \$16.00. For all other household's sizes, the allotment is based on the actual amount derived from the preceding calculations.
  3. If after using the appropriate formula the result ends in 1 through 99 cents, the amount shall be rounded down to the nearest lower whole dollar. If the computation results in an allotment of less than \$10, then no issuance shall be made for the initial month.

Table III

No. of Persons in Household	1	2	3	4	5	6	7	8	9	10
Maximum Coupon Allotment	\$200	\$367	\$526	\$668	\$793	\$952	\$1052	\$1202	\$1352	\$1502

For each additional member add \$150

Authority: T.C.A. §§ 4-5-201 et seq.; T.C.A. § 4-5-202; T.C.A. §§ 71-1-105 and 71-5-304; 7 U.S.C.A. § 2014 and 2017(a); 7 C.F.R. §§ 273.9 and 273.10; and PL 110-246, Title IV §§ 4102, 4103 and 4107, June 18, 2008 and PL 111-5, Division A, Title I § 101, February 17, 2009.

I certify that this is an accurate and complete copy of rulemaking hearing rules, lawfully promulgated and adopted by the Department of Human Services (board/commission/ other authority) on 06/02/2009, and is in compliance with the provisions of TCA 4-5-222.

I further certify the following:

Notice of Rulemaking Hearing filed with the Department of State on: 03/26/09

Notice published in the Tennessee Administrative Register on: 04/15/09

Rulemaking Hearing(s) Conducted on: (add more dates). 05/19/09

Date: June 2, 2009

Signature: [Handwritten Signature]

Name of Officer: Phyllis Simpson

Assistant General Counsel

Title of Officer: Tennessee Department of Human Services



Subscribed and sworn to before me on: JUNE 2, 2009

Notary Public Signature: Regina D. Mitchell

My commission expires on: May 8, 2012

All rulemaking hearing rules provided for herein have been examined by the Attorney General and Reporter of the State of Tennessee and are approved as to legality pursuant to the provisions of the Administrative Procedures Act, Tennessee Code Annotated, Title 4, Chapter 5.

[Handwritten Signature]  
Robert E. Cooper, Jr.  
Attorney General and Reporter

7-2-09  
Date

**Department of State Use Only**

Filed with the Department of State on: 7/7/09

Effective on: 10/5/09

[Handwritten Signature]  
Tre Hargett  
Secretary of State

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## Public Hearing Comments

One copy of a document containing responses to comments made at the public hearing must accompany the filing pursuant to T.C.A. §4-5-222. Agencies shall include only their responses to public hearing comments, which can be summarized. No letters of inquiry from parties questioning the rule will be accepted. When no comments are received at the public hearing, the agency need only draft a memorandum stating such and include it with the Rulemaking Hearing Rule filing. Minutes of the meeting will not be accepted. Transcripts are not acceptable.

Date(s), Time(s) and Place(s) of Public Hearing(s): May 19, 2009, 1:30 p.m. Central Time, Department of Human Services, 2nd Floor Board Room, Citizens Plaza Building, 400 Deaderick Street, Nashville, Tennessee 37243.

A public hearing was held on the date, time and place noted above by the Department of Human Services to receive comments regarding amendments to the above referenced rules. No comments were received.

## **Regulatory Flexibility Addendum**

Pursuant to Public Chapter 464 of the 105<sup>th</sup> General Assembly, prior to initiating the rule making process as described in § 4-5-202(a)(3) and § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

The United States Department of Agriculture establishes standards of eligibility for participation by households in the Food Stamp Program pursuant to 7 U.S.C. § 2014. For purposes of Acts 2007, Chapter 464, the Regulatory Flexibility Act, the Department of Human Services certifies that these rulemaking hearing rules substantially codify existing federal law, such that, pursuant to Section 6 of the Regulatory Flexibility Act, the Regulatory Flexibility Act's provisions do not apply to these rules. In addition, these rulemaking hearing rules do not appear to affect small businesses as defined in the Act because these rules are related to the determination of eligibility and provision of benefits to individuals and households who file an application for them. These rules do not regulate or attempt to regulate businesses.

## Additional Information Required by Joint Government Operations Committee

All agencies, upon filing a rule, must also submit the following pursuant to TCA 4-5-226(i)(1).

- (A)** A brief summary of the rule and a description of all relevant changes in previous regulations effectuated by such rule;

Rule 1240-01-04-.27(1)(c)1 through 3. This revision changes Paragraph (1), Subparagraph (c), Parts 1 through 3 and Table III under (c) to reflect increase in the minimum allotment from \$14 to \$16 for 1 and 2 person households effective April 1, 2009, and increase in the maximum coupon allotment for the various household sizes effective April 1, 2009.

- (B)** A citation to and brief description of any federal law or regulation or any state law or regulation mandating promulgation of such rule or establishing guidelines relevant thereto;

T.C.A. §§ 4-5-201 et seq.; 71-1-105 and 71-5-304; 7 USC §§ 2014 and 2017(a); 7 CFR § 273.1(b)(2); 7 CFR § 273.9; and 7 CFR § 273.10; PL 110-246, Title IV §§ 4102, 4103 and 4107, June 18, 2008; and PL 111-5, Division A, Title I § 101, February 17, 2009.

The American Recovery and Reinvestment Act of 2009 (Economic Stimulus Bill), PL 111-5, Division A, Title I § 101, February 17, 2009, changed the minimum allotment from \$14 to \$16 for 1 and 2 person households and the maximum allotment by household size effective April 1, 2009.

- (C)** Identification of persons, organizations, corporations or governmental entities most directly affected by this rule, and whether those persons, organizations, corporations or governmental entities urge adoption or rejection of this rule;

Rule 1240-01-04-.27. All current and potential recipients of the Food Stamp Program. A rulemaking hearing was held on May 19, 2009. No comments urging adoption or rejection of this rule were received.

- (D)** Identification of any opinions of the attorney general and reporter or any judicial ruling that directly relates to the rule;

None

- (E)** An estimate of the probable increase or decrease in state and local government revenues and expenditures, if any, resulting from the promulgation of this rule, and assumptions and reasoning upon which the estimate is based. An agency shall not state that the fiscal impact is minimal if the fiscal impact is more than two percent (2%) of the agency's annual budget or five hundred thousand dollars (\$500,000), whichever is less;

No increase or decrease in state or local expenditures.

Since food stamp purchases are exempt from state and local sales tax, there would be no increase in state and local revenue.

- (F)** Identification of the appropriate agency representative or representatives, possessing substantial knowledge and understanding of the rule;

Sandra Ramsey, Program Manager, Food Stamp Policy  
Tennessee Department of Human Services  
Citizens Plaza Bldg., 12<sup>th</sup> Floor  
400 Deaderick Street  
Nashville, TN 37243  
(615) 313-5652

- (G)** Identification of the appropriate agency representative or representatives who will explain the rule at a scheduled meeting of the committees;

Sandra Ramsey, Program Manager, Food Stamp Policy  
Tennessee Department of Human Services  
Citizens Plaza Bldg., 12<sup>th</sup> Floor  
400 Deaderick Street  
Nashville, TN 37243  
(615) 313-5652

Richard Dobbs, Director, Food Stamp Policy  
Tennessee Department of Human Services  
Citizens Plaza Bldg., 12<sup>th</sup> Floor  
Nashville, TN 37243  
(615) 313-5652

Phyllis Simpson, Assistant General Counsel  
Department of Human Services, Citizens Plaza, 10<sup>th</sup> Floor  
400 Deaderick Street  
Nashville, TN 37243  
(615) 313-2266

**(H)** Office address and telephone number of the agency representative or representatives who will explain the rule at a scheduled meeting of the committees; and

Sandra Ramsey, Program Manager, Food Stamp Policy  
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Nashville, TN 37243  
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**(I)** Any additional information relevant to the rule proposed for continuation that the committee requests.

N/A